

## Agricultural Marketing Service, USDA

## § 1036.86

Class I use under § 1036.43(d). Payments may be made to the producer-settlement fund of the order regulating the producer milk used to produce the nonfluid milk ingredients at the difference between the Class I price applicable under the other order at the location of the plant where the nonfluid milk ingredients were processed (but not to be less than the Class III price) and the Class III price. This payment option shall apply only if a majority of the total milk received at the plant that processed the nonfluid milk ingredients is regulated under one or more Federal orders and payment may only be made to the producer-settlement fund of the order pricing a plurality of the milk used to produce the nonfluid milk ingredients. This payment option shall not apply if the source of the nonfluid ingredients used in reconstituted fluid milk products cannot be determined by the market administrator.

[43 FR 38798, Aug. 31, 1978, as amended at 45 FR 36357, May 30, 1980; 58 FR 27827, May 11, 1993]

### § 1036.77 Adjustment of accounts.

Whenever audit by the market administrator of any handler's reports, books, records, or accounts discloses adjustments to be made, for any reason, which result in moneys due the market administrator from such handler, due such handler from the market administrator, or due any producer or cooperative association from such handler, the market administrator shall promptly notify such handler of any such amount due, and payment thereof shall be made on or before the next date for making payment set forth in the provision under which such error occurred, following the 5th day after such notice. The market administrator shall offset any moneys due a handler against moneys due from such handler.

### § 1036.78 Charges on overdue accounts.

Any unpaid obligation of a handler pursuant to §§ 1036.71, 1036.73, 1036.76, 1036.77, 1036.85, and 1036.86 shall be increased 1 percent beginning on the first day after the due date of such obligation and on the same day of each succeeding month until such obligation is paid. All such charges on overdue ac-

counts shall be paid to the administrative assessment fund maintained by the market administrator.

[45 FR 36357, May 5, 1980]

### ADMINISTRATIVE ASSESSMENT AND MARKETING SERVICE DEDUCTION

### § 1036.85 Assessment for order administration.

As his pro rata share of the expense of administration of this part, each handler shall pay to the market administrator on or before the 17th day after the end of the month 4 cents per hundredweight or such lesser amount as the Secretary may prescribe, with respect to milk handled during the month as follows:

(a) Each handler with respect to his receipts of producer milk (including such handler's own-farm production and milk received from a cooperative association pursuant to § 1036.9(c)), fluid milk products transferred or diverted in bulk from a pool plant operated by a cooperative association and receipts of concentrated fluid milk products from unregulated supply plants and receipts of nonfluid milk products assigned to Class I use pursuant to § 1036.43(d) and other source milk allocated to Class I pursuant to § 1036.44 (a)(7) and (a)(11) and the corresponding steps of § 1036.44(b), except such other source milk that is excluded from the computations pursuant to § 1036.60 (d) and (e); and

(b) Each handler in his capacity as the operator of a partially regulated distributing plant with respect to his route disposition in the marketing area in excess of the skim milk and butterfat subtracted pursuant to § 1036.76(b)(2).

[43 FR 38798, Aug. 31, 1978, as amended at 45 FR 36357, May 30, 1980; 58 FR 27828, May 11, 1993; 58 FR 43513, Aug. 17, 1993]

### § 1036.86 Deductions for marketing services.

(a) Except as set forth in paragraphs (b) and (c) of this section, each handler or the market administrator in making payments to producers pursuant to § 1036.73(a) and (c) shall deduct 7 cents per hundredweight, or such lesser amount as the Secretary may prescribe, with respect to milk of such